Why Pursue Broadband Now?

Chapter Four

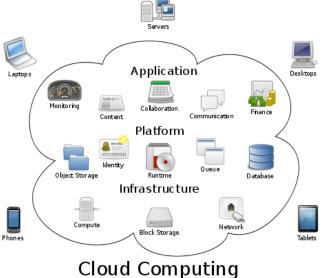
Why Pursue Broadband Now?

Susan Jesuroga, Chaffee County EDC

1) Cloud computing is here, now. It takes higher speeds and better reliability.

"Cloud computing is the delivery of computing as a service rather than a product, whereby shared resources, software, and information are provided to computers and other devices as a utility (like the electricity grid) over a network (typically the Internet)."

New services over the Internet are data intensive. Video on Demand (e.g. Netflix) requires 6-10 Mbps for HD quality, and telemedicine and online education requires up to 25 Mbps.²



[Graphic retrieved from Wikipedia.]

2) Rural areas need redundant, high speed and affordable service to compete.

In 2012, the Colorado Office of Information Technology speed tests showed that parts of Chaffee County did not have access to speeds above 1.5 Mbps - the FCC currently defines "basic" broadband as 4 Mbps down and 1 Mbps upload. A 2012 survey of county businesses showed that over half of the businesses received actual speeds (from the state speed test) that were under 4 Mbps down. With a new middle and last mile provider, Colorado Central Telecom, making inroads in the county, more areas outside the city centers will have access to higher speeds at competitive prices. However, we can't become complacent because Internet services will change in the future, and effect county needs.

3) Rural areas will fall behind without improved broadband.

"The simple answer is that rural communities will be economically crippled without broadband access. That's the long and the short of it.

¹ http://en.wikipedia.org/wiki/Cloud_computing

² http://broadband.about.com/b/2011/10/01/broadbandspeedtable.htm

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Broadband will not bring immediate economic transformation to rural America. But regions that lack broadband will be crippled. Having broadband may not necessarily mean a sharp increase in jobs; however, not having broadband will probably mean fewer jobs.

This paradox exists because Internet connectivity increasingly is necessary for many political, economic and social transactions — in everything from contacting elected representatives to filing insurance papers to keeping up with classes offered at the local community center.

Not having access to these mechanisms means being cut off from opportunities and from what is now defined as normal communication channels. Broadband is expected — by employers, job seekers and businesses looking to bring goods to markets. Having access to broadband, therefore, is simply treading water. Not having it means you sink."³

Sharon Strover, Director, Telecommunications and Information Policy Institute at The University of Texas at Austin.

4) Business competition is not just local or regional. It is international, and international competitors have access to faster, more affordable broadband.

"As it turns out, U.S. residents paid more for bandwidth than nearly every other country surveyed. Typically, the lowest price for broadband in the United States, not counting promotions and bundled deals, costs an average of \$35 a month for a measly 1 megabit per second connection. Twice this speed is available in Denmark and Canada for lower prices; more strikingly, Hong Kong, Taiwan, and Sweden have broadband available for under \$20 a month. Additionally, the fastest speeds in the United States are comparatively slow. The common top speed available for residential services in the Unites States is 50 Mbps (and costs \$145 a month), while several nations have speeds available that are up to four times faster, for less than \$60 a month."

"Denial of Service: Don't believe the telecoms.", Sascha Meinrath and James Losey

5) Rural areas can't depend on a monopoly to fix the problem.

"By 2006, according to telecommunication companies' own documents, 86 million [U.S.] customers should have received 45 Mbps [bidirectional] Internet fiber optic service, replacing the [phone company's] copper wiring. . . [From 1996-2006,] America paid over \$200 billion in . . . fees as well as tax and other financial incentives to improve subscriber lines, and there is nothing to show for it."⁵

"Where's that broadband fiber-optic access?", Bruce Kushnick

³ http://www.utexas.edu/know/2011/04/08/strover_sharon_yonder/

⁴ http://www.slate.com/articles/technology/technology/2010/04/denial of service.single.html

⁵ http://www.niemanwatchdog.org/index.cfm?fuseaction=ask_this.view&askthisid=186